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NEWS RELEASE

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Financial Stability Oversight Council Includes State Insurance, Banking and Securities Regulators

State-based regulation deemed valuable

BOISE ID (May 18, 2010) – Senate Amendment 3754 to S. 3217, the Restoring American Financial Stability Act, provides for non-voting membership for state banking, insurance and securities regulators on the Financial Stability Oversight Council (FSOC).

Idaho Department of Insurance Director Bill Deal says, "Risk in the financial system is shared by insurance, banking and securities regulators. The Council would benefit tremendously from the shared insight and knowledge of state regulators who work on the front lines each day to maintain an effective financial structure."

In a joint letter with the Conference of State Bank Supervisors (CSBS), the North American Securities Administrators Association (NASAA) and the National Association of Insurance Commissioners (NAIC), regulators said, "By including state regulators in the FSOC, your amendments create a more comprehensive and efficient approach that will benefit from access to all relevant information regarding the accumulation of risk in our financial system."

Inclusion of state insurance regulators is critically important because the current FSOC provision does not include any insurance regulatory input or information. As the officials directly responsible for the safety and soundness of the insurance sector and the protection of insurance consumers, this amendment fixes this glaring omission. State insurance regulators urge adoption of this critical amendment.

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